

**GAO**

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**FEDERAL EMERGENCY  
MANAGEMENT AGENCY**

**Factors for Future Success  
and Issues to Consider for  
Organizational Placement**

Statement of William O. Jenkins, Jr., Director  
Homeland Security and Justice Issues





Highlights of GAO-06-746T, a testimony before the Committee on Homeland Security, House of Representatives

## Why GAO Did This Study

The size and strength of hurricane Katrina resulted in one of the largest natural disasters in our nation's history and raised major questions about our nation's readiness and ability to respond to catastrophic disasters. GAO has a large body of completed and ongoing work on a range of issues relating to all phases of the preparation, response, recovery, and rebuilding efforts related to hurricane Katrina as well as a wealth of historical experience in reviewing the federal government's response to disasters and catastrophic events.

A great deal of attention has been focused on lessons learned from the 2005 hurricane season and many recommendations have been advanced on how to improve the nation's preparedness and ability to effectively respond to catastrophic disasters. GAO's testimony today describes some factors for success and other issues that Congress may wish to consider as it determines what changes to make, including those of the Federal Emergency Management Agency's (FEMA) organizational placement, to improve the nation's readiness and ability to respond effectively to major disasters, including catastrophic disasters, regardless of cause.

## What GAO Recommends

GAO is not making recommendations at this time.

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# FEDERAL EMERGENCY MANAGEMENT AGENCY

## Factors for Success and Issues to Consider in Organizational Placement

### What GAO Found

Because of FEMA's mission performance during hurricane Katrina, questions have been raised regarding the agency's organizational placement, including whether FEMA should be disbanded and functions moved to other agencies, remain within the Department of Homeland Security, or again become an independent agency.

The history of the federal government's approach to emergency management reflects experience with specific disasters and differences in opinion regarding the most effective structure for this function. Prior to 1979, emergency management was led by the Federal Disaster Assistance Administration within the Department of Housing and Urban Development. FEMA was established as an independent agency in 1979. Based on recommendations following the response to Hurricane Andrew in 1992, FEMA was elevated to a cabinet level agency whose director reported to the President. In March 2003, FEMA became part of DHS.

As Comptroller General Walker has noted previously, a number of factors may be ultimately more important to FEMA's success in responding to and recovering from future disasters than its organizational placement. These include

- the clarity of FEMA's mission and its related responsibilities and authorities;
- the experience of and training provided to FEMA leadership;
- the adequacy of its human, financial, and technological resources; and
- the effectiveness of planning, exercises, and related partnerships.

As Congress considers changing FEMA's organizational placement, it may also wish to consider key issues affecting organizational structure, including

- the relevance of FEMA's mission to the broader organization in which it resides;
- the extent to which goals and objectives are shared;
- the ability to leverage effectively the resources of other agencies and programs; and
- gains in efficiency and effectiveness through eliminating duplications and overlaps.

The nation's next major response and recovery challenge, whether natural or man-made, will provide another important test of FEMA's efforts to improve its preparedness and capability. Although organizational structure is important, future success is likely to principally depend upon focus, skilled leadership, clear roles and responsibilities, operational plans realistically exercised, and key resources appropriately and effectively deployed.

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Mr. Chairman and Members of the Committee:

I appreciate the opportunity to participate in today's hearing to discuss the future of the Federal Emergency Management Agency (FEMA). My remarks today are grounded in the work GAO has done to date on FEMA's performance in the days, weeks, and months after hurricane Katrina as well as our completed work on FEMA's role in responding to and recovering from prior disasters and catastrophes before and after its incorporation into the Department of Homeland Security (DHS). My remarks are also fully consistent with Comptroller General Walker's previous testimony on this subject matter.

The events of hurricane Katrina graphically demonstrated the limitations of the nation's ability to respond to a catastrophic disaster. FEMA, within DHS, has the primary responsibility for coordinating and implementing key aspects of the federal emergency response and, as a result, has come under fire for shortcomings in its mission performance after the disaster. Reports from the House, Senate, White House, DHS Inspector General, and FEMA all identified problems in FEMA's leadership and capabilities in the preparation for, response to, and short-term recovery from hurricane Katrina.<sup>1</sup> These reports, along with our own observations, indicate that there were concerns about FEMA's leadership of the federal response and questions regarding the missions, roles, and responsibilities of FEMA and other federal, state, and local officials and organizations in preparing for and responding to hurricane Katrina. FEMA's capabilities were stretched to the limit and beyond, as reflected by, for example, a limited ability to marshal, transport, and track the delivery of commodities to areas of greatest need; difficulties in providing the number of emergency response staff with the knowledge and experience to meet the needs of thousands of disaster victims; and the inadequate capacity of FEMA's information systems. Finally, the reports and our own work identified concerns regarding the effectiveness of planning, exercises, and related

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<sup>1</sup>These reports are: House Select Committee, *A Failure of Initiative: Final Report of the Select Bipartisan Committee to Investigate the Preparation For and Response to Hurricane Katrina* (Washington, D.C.: February 2006); The White House, *The Federal Response to Hurricane Katrina Lessons Learned* (Washington, D.C.: February 2006); DHS Office of Inspector General, *A Performance Review of FEMA's Disaster Management Activities in Response to Hurricane Katrina* (Washington, D.C.: March 2006); FEMA, *DHS/FEMA Initial Response Hotwash: Hurricane Katrina in Louisiana* (Washington, D.C.: February 2006); and Senate Homeland Security and Governmental Affairs, *Hurricane Katrina: A Nation Still Unprepared* (Washington, D.C.: May 2006).

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partnerships, functions traditionally supported by FEMA emergency preparedness, response, and recovery programs.

The observations in this statement are based on prior GAO reports, our ongoing work on hurricanes Katrina and Rita, and GAO field visits to the affected Gulf Coast areas. We also have done a great deal of work on prior disasters. In 1993, we conducted several reviews examining the federal response to hurricane Andrew. All of these reviews focused on the unique challenges involved in responding to catastrophic disasters. These reviews defined catastrophic disasters as a subset of other disasters requiring federal assistance. Unlike the bulk of disasters requiring FEMA to respond, catastrophic disasters can overwhelm the ability of state, local, and voluntary agencies to adequately provide victims with essential services, such as food and water, within 12 to 24 hours. We also conducted extensive work following the events of September 11, 2001.<sup>2</sup> These prior GAO reports focused on improving the immediate response to catastrophic disasters, and we made various recommendations within this context, many of which continue to apply and help form the basis of our views on the issue of FEMA's future organizational placement today.

GAO teams have visited the areas most affected by hurricanes Katrina and Rita—Alabama, Louisiana, Mississippi, and Texas. We interviewed officials and analyzed information from the various involved federal agencies, such as FEMA and the Department of Defense (DOD); state and local organizations, including state emergency management agencies; state adjutant generals; local officials; and representatives from nongovernmental agencies. Additionally, we have closely followed the hearings conducted by the Senate Homeland Security and Governmental Affairs Committee, the House's Select Committee to Investigate the Preparation for and Response to Hurricane Katrina, and other congressional committees on hurricane Katrina issues. We have studied the House Select Committee report, the White House report on lessons learned from the federal response to hurricane Katrina, the Department of Homeland Security's Office of Inspector General (OIG) report, FEMA's initial response assessment of the agency's performance during hurricane Katrina, as well as the report released last week by the Senate Committee on Homeland Security and Governmental Affairs. We discussed our

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<sup>2</sup>GAO, *Disaster Assistance: Information on FEMA's Post 9/11 Public Assistance to the New York City Area*, [GAO-03-926](#) (Washington, D.C.: Aug. 29, 2003) and GAO, *September 11: Overview of Federal Disaster Assistance to the New York City Area*, [GAO-04-72](#) (Washington, D.C.: Oct. 31, 2003).

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preliminary observations with the Deputy Secretary of the Department of Homeland Security in March 2006 before testifying on our observations of federal preparation, response, and recovery efforts related to hurricane Katrina.<sup>3</sup>

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## Summary

A catastrophic disaster, such as hurricane Katrina, almost immediately overwhelms state and local response capacity, degrading the ability of state and local personnel to respond effectively. Hurricane Katrina destroyed or crippled essential communications infrastructure in the hardest-hit areas, further exacerbating the ability of state and local personnel to respond. In preparing for and responding to any major disaster, but particularly a catastrophic one, the roles, responsibilities, and lines of authority for the preparation and response at all levels of government must be clearly defined and communicated in order to facilitate rapid and effective decision making. At the same time, effective decision making depends on having trained and experienced leaders equipped with the resources and capabilities needed to implement those decisions. Capabilities—the ability to carry out specific tasks with desired results—are built upon the appropriate combination of resources including people, processes, funds, and technology. Ensuring that those capabilities are available and effective requires planning, coordination, training, and exercises in which the capabilities are realistically tested, problems identified, and issues subsequently addressed in partnership with other federal, state, and local stakeholders.

Because of FEMA's mission performance during hurricane Katrina, questions have been raised regarding the agency's organizational placement, including whether it should be disbanded and functions moved to other agencies, remain within DHS, or again become an independent agency. In our view, taking actions to improve the weaknesses identified in after-the-fact analyses of FEMA's performance before, during, and after hurricane Katrina may be more important to FEMA's success in responding to and aiding the recovery from future disasters, most importantly the 2006 hurricane season, than its organizational placement. Factors that might affect performance include

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<sup>3</sup>GAO, *Hurricane Katrina: GAO's Preliminary Observations Regarding Preparedness, Response, and Recovery*, [GAO-06-442T](#) (Washington, D.C.: Mar. 8, 2006).

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- the clarity of FEMA’s mission and its related responsibilities and authorities;
  - the experience of, and training provided to, FEMA leadership;
  - the adequacy of its human, financial, and technological resources; and
  - the effectiveness of planning, exercises, and related partnerships.

If a change in FEMA’s organizational placement is considered, we believe certain other issues should be considered to assess alternative approaches. These include issues such as mission relevancy and shared goals and objectives, as well as leveraging effectiveness and gains through consolidation.

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## Background

In considering FEMA’s future, it is useful to understand its past. Before the establishment of FEMA and its placement within DHS, federal disaster response and recovery was also managed by an agency within an executive department. The 1960s and early 1970s brought massive disasters requiring major federal response and recovery operations by the Federal Disaster Assistance Administration, established within the Department of Housing and Urban Development. Hurricane Carla struck in 1962, hurricane Betsy in 1965, hurricane Camille in 1969, and hurricane Agnes in 1972. The San Fernando earthquake rocked Southern California in 1971, and the Alaskan earthquake hit in 1964. To respond to national concern regarding these events, the Congress passed the 1974 Disaster Relief Act that established the process of Presidential disaster declarations.

However, emergency and disaster activities were still fragmented. Many parallel programs and policies existed at the state and local level, compounding the complexity of federal disaster relief efforts. In 1979, President Carter issued an executive order that merged many of the separate disaster-related responsibilities into a new, independent Federal Emergency Management Agency. Among other agencies, FEMA absorbed the Federal Insurance Administration, the National Fire Prevention and Control Administration, the National Weather Service Community Preparedness Program, the Federal Preparedness Agency of the General Services Administration, and the Federal Disaster Assistance Administration activities from HUD. Civil defense responsibilities were also transferred to the new agency from the Defense Department’s Defense Civil Preparedness Agency.

FEMA led the federal response to hurricane Andrew, which slammed into and leveled much of South Florida in August 1992. In 1993, we conducted

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several reviews examining the federal response. The reviews focused on the unique challenges involved in responding to catastrophic disasters and raised questions about whether and how national disaster response efforts had incorporated lessons from experiences with hurricane Hugo in 1989.<sup>4</sup> These prior GAO reports focused on improving the immediate response to catastrophic disasters, and we made various recommendations within this context. While some of our prior recommendations were acted upon, others were not. For example, President Clinton elevated the FEMA director to cabinet status in 1996, providing the type of direct communication and lines of responsibility we had recommended. However, we also recommended that FEMA improve its catastrophic disaster response capability by using existing authority to aggressively respond to catastrophic disasters, assessing the extent of the damage, and then advising state and local officials of identified needs and the federal resources available to address them. One criticism of the FEMA response to hurricane Katrina was that FEMA officials were more reactive than proactive in identifying the emergency needs of communities in the immediate days after the disaster.

The Homeland Security Act of 2002,<sup>5</sup> which established DHS, created new requirements for emergency preparedness and response, including developing a comprehensive National Incident Management System (NIMS) and a comprehensive National Response Plan (NRP). NIMS is intended to provide a consistent framework for incident management at all jurisdictional levels regardless of the cause, size, or complexity of the situation and to define the roles and responsibilities of federal, state, and local governments and various first responder disciplines at each level during an emergency event. NIMS established the Incident Command System (ICS) as a standard incident management organization with five functional areas—command, operations, planning, logistics, and finance/administration—for management of all major incidents. It also prescribes interoperable communications systems and preparedness before an incident happens, including planning, training, and exercises. The NRP is intended to be an all-discipline, all-hazards plan establishing a single, comprehensive framework for the management of domestic

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<sup>4</sup>See, for example, GAO, *Disaster Management: Improving the Nation's Response to Catastrophic Disasters*, GAO-93-186 (Washington, D.C.: July 23, 1993) and GAO, *Disaster Management: Recent Disasters Demonstrate the Need to Improve the Nation's Response Strategy*, GAO-93-46 (Washington, D.C.: May 25, 1993).

<sup>5</sup>Pub. L. No. 107-296, 116 Stat. 2135 (2002).

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incidents where federal involvement is necessary. It is to operate within the framework of NIMS.

On March 1, 2003, FEMA became part of DHS pursuant to the Homeland Security Act of 2002. FEMA retained its authority to administer the provisions of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (the Stafford Act),<sup>6</sup> which sets forth the primary programs and processes for the federal government to provide major disaster and emergency assistance to states, local governments, tribal nations, individuals, and qualified private nonprofit organizations. Among its missions within DHS, FEMA is to lead the effort to prepare the nation for natural and man-made disasters and effectively manage federal response and recovery efforts following any presidentially declared incident. FEMA is also to initiate proactive mitigation activities, train first responders, and manage the National Flood Insurance Program. FEMA shares responsibility for preparing the nation for natural and man-made disasters with other organizations within DHS, including the Office of Grants and Training that administers federal homeland security grants for state and local first responders.

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## Factors Other Than Organizational Placement May Affect FEMA's Performance

Organizational changes, such as separating FEMA from DHS, are often viewed as a fix to address performance issues. Our institutional knowledge regarding organizational performance factors suggests that organizational changes alone may not adequately address underlying systemic conditions that result in an organization's performance problem. Hurricane Katrina was one of the largest natural disasters in our nation's history; its size and strength will have effects for years to come. It exacted terrible human costs with the loss of significant numbers of lives and resulted in billions of dollars in property damage, clearly overwhelming the capabilities of several federal, state, and local agencies. Nevertheless, after-the-fact analyses point to improvements needed in (1) the clarity of FEMA's mission and related responsibilities and authorities to achieve mission performance expectations; (2) the experience and training of FEMA leadership; (3) the adequacy of FEMA's human, financial, and technological resources; and (4) the effectiveness of FEMA's planning, exercises, and related partnerships. If successfully implemented, such improvements may obviate the need for major organizational changes.

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<sup>6</sup> 42 U.S.C. §§ 5121-5206.

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## Clarity of FEMA's Mission and Related Responsibilities and Authorities

In the event of a catastrophic disaster, the leadership roles, responsibilities, and lines of authority for the response at all levels must be clearly defined and effectively communicated in order to facilitate rapid and effective decision making, especially in preparing for and in the early hours and days after the disaster. In the aftermath of hurricane Andrew in 1992, we discussed the critical importance of clearly defining and communicating leadership roles, responsibilities, and lines of authority for catastrophic response in advance of such events. Based on our assessments of the federal response, we recommended that in a catastrophic disaster a single individual directly responsible and accountable to the President should be designated to act as the central focal point to lead and coordinate the overall federal response when a catastrophic disaster has happened or is imminent. President Clinton's elevation of the position of FEMA director to cabinet status in 1996 provided the direct lines of communication and accountability envisioned in our recommendation. The subsequent incorporation of FEMA into DHS changed the direct reporting relationship between FEMA and the President. With the passage and subsequent implementation of the Homeland Security Act of 2002, the Secretary of DHS, rather than the FEMA Director, became the cabinet-level focal point for natural and man-made crises and emergency planning. The incorporation of FEMA into DHS raised questions during hurricane Katrina regarding lines of authority with respect to not only the DHS Secretary and the FEMA Director, but also the key officials reporting to them, the Principal Federal Official (PFO) and the Federal Coordinating Officer (FCO), respectively.

During incidents of national significance, including catastrophic disasters, the overall coordination of federal incident management activities is executed through the Secretary of Homeland Security under the Homeland Security Act of 2002, Homeland Security Presidential Directive-5 (HSPD-5), and the NRP. There are three key leadership roles defined under the NRP needed to manage a catastrophic disaster. First, the role of the Secretary of Homeland Security is to provide strategic, national leadership as the focal point for federal response and coordination. Second, the role of the PFO is to act as the Secretary of Homeland Security's formally designated representative locally to oversee, coordinate, and execute the secretary's incident management responsibilities. Third, the FCO is a position created by the Stafford Act and is appointed by the FEMA Director to manage federal resource support activities related to Stafford Act disasters and emergencies. The FCO is responsible for coordinating the timely delivery of federal disaster assistance resources and programs

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to the affected localities by making mission assignments to specific federal agencies that have needed resources and capabilities.

FEMA's incorporation into DHS appears to have introduced some uncertainty regarding the respective roles and responsibilities of the DHS secretary and the PFO relative to the FEMA director and the FCO. The questions raised by the various assessments of the federal response during hurricane Katrina highlight the importance of clarity in FEMA's mission and related responsibilities and authorities, as the following examples illustrate:

- The White House report recommended that the PFO be given operational authority to manage and coordinate federal response, assets and, in a multi-state disaster, to oversee the multiple federal coordinating officers operating in the various states and make any operational decisions necessary, within the law, without having to obtain approval from headquarters.
- The DHS OIG recommended that FEMA clarify the roles of the PFO, the FCO, the Federal Resource Coordinator, and the Disaster Recovery Manager to provide a clear distinction for the types and levels of response activities that warrant a combination or modification to those roles; develop procedures for the timely activation of each role; and, ensure that these officials be provided with the necessary training to complement their qualifications for serving in these positions. Similarly, the OIG recommended that FEMA establish clear roles and responsibilities for the Housing Area Command and define its reporting requirements and chain of command relationships with the FEMA headquarters, Joint Field Offices, and Technical Assistance Contractors.
- FEMA's internal assessment identified the need for senior management to develop doctrine to provide a single, simplified command structure for operations in temporary joint field offices created to lead federal response and recovery efforts.
- The Senate report recommended that the Stafford Act should be amended to clarify the roles and responsibilities of the FCO, and the NRP should be revised to eliminate the PFO position for Stafford Act-declared emergencies and disasters.

More explicit authority is needed to enhance federal leadership in situations when it is possible to respond to incidents maturing to catastrophic magnitude in a more proactive manner. In our July 1993 report on the federal response to hurricane Andrew, we also noted that

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encouraging agencies to do as much catastrophic disaster preparation as possible in advance of a Stafford Act declaration could reduce the federal response time to the ensuing catastrophe. We stated that when there is early warning, as there usually is with hurricanes, federal agencies must mobilize resources and deploy personnel before the catastrophe strikes. However, the Stafford Act did not, and still does not, explicitly authorize such predeclaration activities. As a result, federal agencies may fail to undertake extensive predeclaration preparations because of uncertainty over whether FEMA will request their assistance under the Stafford Act and ultimately reimburse their predeclaration costs. Therefore, we continue to believe that Congress should consider giving federal agencies, including FEMA, explicit authority under the Stafford Act to take actions to prepare for a catastrophic disaster when there is warning.

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## Experience and Training of FEMA Leadership

In order to effectively fulfill the leadership roles and responsibilities and to exercise lines of authority for the response at all levels to facilitate rapid and effective decision making in the event of a catastrophic disaster, leaders should have the experience and training needed to perform effectively, especially in the early hours and days after the disaster. In the aftermath of hurricane Andrew in 1992, we discussed the critical importance of the quality of leadership during catastrophic disasters. For example, we noted that leadership creates a powerful, meaningful perception that the federal government recognizes an event is catastrophic, is in control, and is going to use every means necessary to meet the immediate mass-care needs of disaster victims. Assessments of FEMA's performance during and after hurricane Katrina have raised similar issues and resulted in recommendations related to the experience and training of FEMA leadership, as illustrated in the following examples:

- The House Select Committee concluded that federal agencies, including DHS, had varying degrees of unfamiliarity with their roles and responsibilities under the NRP and NIMS. According to the Committee's report, senior officials were ill-prepared due to their lack of experience and knowledge of the required roles and responsibilities prescribed by the NRP, and FEMA lacked adequately trained and experienced staff for the hurricane Katrina response. The report noted that, since 2002, FEMA had lost a number of its top disaster specialists, senior leaders, and experienced personnel and that even before hurricane Katrina, FEMA suffered from a lack of sufficiently trained procurement professionals.
- The White House report included recommendations to enhance DHS expertise and experience and to develop DHS regions that would be fully

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staffed, trained, and equipped to manage and coordinate all preparedness activities and any emergency that may require a substantial federal response. The report also recommended the establishment of a formal training program on the NIMS and NRP for all department and agency personnel with incident management responsibilities, noting that each Regional Director should have significant expertise and experience, core competency in emergency preparedness and incident management, and demonstrated leadership ability.

- FEMA's assessment of the agency's performance during and after hurricane Katrina resulted in a recommendation that emergency management personnel at all levels should be required to have training on ICS and the NRP and recommended the creation of a rotational training program for field personnel to spend time at FEMA headquarters and for FEMA managers at headquarters to train in the field on simulated and actual disaster events. The assessment also recommended that FEMA identify and name qualified personnel with leadership ability and emergency response experience as FEMA liaison officers for counties, parishes, or boroughs in advance of disasters. Further, it recommended a more comprehensive training program to prepare existing and new personnel for Disaster Recovery Center assignments.
- The Senate report concluded that training and exercises were needed to ensure that everyone involved in disaster response understands their roles and responsibilities and is prepared to carry them out.

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### Adequacy of FEMA's Human, Financial, and Technological Resources

Even trained and experienced leaders who share a clear and common understanding of their mission and authorities across a community of federal, state, and local emergency management officials cannot effectively implement those authorities or exercise leadership without access to the human, financial, and technological resources needed to take action. For noncatastrophic disasters, the federal government should be in a support and assist role, providing resources and other assistance to enable state and local governments to carry out their responsibilities. However, for catastrophic disasters that can overwhelm the ability of state and local and voluntary agencies to adequately provide victims with essential services, the federal government should be more proactive, anticipating state and local needs, pre-positioning resources, and providing selected resources where they are needed or likely to be needed. The federal government must develop more capabilities and expertise to respond proactively when a catastrophic disaster is imminent or occurs.

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When we reviewed FEMA's response to hurricane Andrew in 1992, we concluded that FEMA's National Preparedness Directorate had many of the people and resources needed, with people skilled in such areas as strategic and tactical planning, logistics, command and control, and communications, and resources including communications, transportation, life support, as well as sophisticated computer-modeling equipment. At that time we reported that, through constant planning and exercising, the directorate had maintained a high level of readiness and was able to quickly deploy people and resources from a number of locations to anywhere in the United States (although we identified a number of shortcomings in FEMA's response that primarily reflected the magnitude of the disaster.) Unfortunately, the various reports and our own work on FEMA's performance before, during, and after hurricane Katrina suggest that FEMA's human, financial, and technological resources were insufficient to meet the challenges posed by the unprecedented degree of damage and the resulting number of disaster victims of the hurricane, as the following examples illustrate:

- The Senate's report concluded that FEMA did not have the resources to fulfill the mission and respond effectively in a catastrophic event and recommended that DHS must develop the national capabilities—especially surge capacity—it needs to respond to catastrophic disasters, ensuring it has sufficient full-time staff, response teams, contracting personnel, and adequately trained and sufficiently staffed reserve corps to ramp up capabilities, as needed. In terms of technology, the Senate report recommended that DHS complete and/or adopt technology and information management systems to effectively manage disaster-related activities and develop an efficient ordering system that minimizes delays and provides order status and accurate, timely commodity tracking as well as a transportation protocol that moves commodities and resources directly from the supplier to the users. The report concluded that resources are needed for staffing and preparation of regional strike teams, better development of a trained cadre of reservists, and the development of new logistics capabilities.
- DHS's OIG report included a number of recommendations related to enhancing human and technological resources and capabilities. The recommendations directed FEMA to:
  - develop a disaster workforce plan for standing capability for permanent, temporary, and reserve staff responsive to previous disaster needs and also develop a plan that is scalable to other events irrespective of cause, size, or complexity;

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- provide training to additional National Processing Service Center staff and contractors to enhance FEMA's capability to perform applicant assistance and case management activities responsive to the needs of applications;
  - develop a more comprehensive program to recruit, train, and retain local hires for use in augmenting FEMA's disaster assistance employees and permanent staff;
  - determine and fill requirements to provide emergency responders with communications equipment capable of performing in austere conditions; and
  - develop and implement a resource-tracking system that is capable of documenting whether resources were delivered and the efficiency with which the resource was provided.
- FEMA's initial response assessment concluded that the agency needs to lead an audit of current staffing capability and workforce demands for staff in a severe or catastrophic event and determine the number of personnel available to serve in each position or unit for such a disaster. This information is to be used to develop and implement a strategy for addressing any identified staffing gaps. The assessment also concluded that FEMA needs to develop a communications suite that operates independently of normal communications infrastructure and is able to be moved into disaster locations.
  - The White House report identified the need for each homeland security region to have access to the resources, equipment, and personnel needed to establish a self-sufficient temporary Joint Field Office to direct response and recovery efforts anywhere within the region.
  - The House Select Committee also concluded that despite extensive preparedness initiatives, DHS was not prepared to respond to the catastrophic effects of hurricane Katrina. For example, the report noted that FEMA's logistics and contracting systems did not support a targeted, massive, and sustained provision of commodities; long-standing weaknesses and the magnitude of the disaster overwhelmed FEMA's ability to provide emergency shelter and temporary housing; and the readiness of FEMA's national emergency response teams was inadequate and reduced the effectiveness of the federal response.

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## Effectiveness of FEMA's Planning, Exercises, and Related Partnerships

Fewer federal resources are needed to respond to a catastrophic disaster if state and local governments' response capabilities are greater. The goal of emergency planning is simple: to have the skills and resources to respond, when needed, with well-planned, well-coordinated, and effective efforts to save lives and property and aid recovery from the emergency or disaster—regardless of the size or nature of the emergency. However, because FEMA is not a first responder, state and local government officials and emergency and homeland security managers must take the lead in developing strategic and operational plans and identifying the basic capabilities each jurisdiction might need to meet local, regional, and state prevention, mitigation, response, and recovery expectations—whether defined by federal guidance or by state and local assessments. That is because local officials are most knowledgeable of their communities, including their needs and capabilities. In addition, local emergency first responders—police, fire fighters, emergency medical personnel, and others such as public health and hospital personnel—will still be the first on the scene of an incident.

Regular training and periodic exercises provide a valuable way to test emergency management plans. It is important that exercises be designed to be both as realistic as possible and stress the emergency management system as almost any major event will. The training should also be linked to the essential capabilities and emphasize identifying, developing, and sustaining baseline capabilities for prevention, preparedness, response, and recovery. This would involve defining baseline capabilities at each level of government—federal, regional, state, and local—and surge capabilities in the event of a catastrophic disaster, based on risk to an individual jurisdiction and what would be required to support mutual aid compacts.

In our previous work on hurricane Andrew, we identified the critical importance of conducting strong advance planning and robust training and exercise programs and the need for the federal government to upgrade training and exercises for state and local governments specifically geared toward catastrophic disaster response. Our review uncovered shortcomings both in the way FEMA helps state and local governments train and conduct exercises in anticipation of catastrophic disasters and in the way it monitors state and local preparedness. Thus, we concluded that FEMA could do more to ensure that state and local governments prepare for catastrophic disaster response.

Hurricane Katrina demonstrated the potential benefits of applying lessons learned from training exercises and experiences with actual hurricanes as

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well as the dangers of ignoring them. For example, confusion with emergency plans complicated the evacuations and everything that followed. Clearly, plans were not implemented or were only partially implemented, and state officials requested aid early but in some cases were slow to deploy their own resources. Our own work and assessments of FEMA's performance during and after hurricane Katrina have made a variety of recommendations intended to improve the effectiveness of federal planning, exercises, and related partnerships, as the following examples show:

- The White House report recommended that DHS (1) develop and implement homeland security regions that are fully staffed, trained, and equipped to manage and coordinate all preparedness activities and any emergency that may require a substantial federal response and (2) conduct training and exercises for key state and local officials.
- The Senate report recommended that (1) national emergency response plans be reviewed and coordinated with the states and on a regional basis to ensure the plans are understood, trained, and exercised prior to an emergency; (2) officials in emergency agencies at the federal, state, and local levels of government, as well as first responder groups outside of government receive regular training on NRP and NIMS; (3) DHS consider tying future cost-share requirements for preparedness grant funds to performance and results of these exercises; (4) DHS establish regional strike teams and enhance regional operations—building on FEMA's 10 existing regional offices—to provide better coordination between federal agencies and the states in preparing for and responding to disasters; and (5) resources be provided for additional planning and more frequent and ambitious training and exercises.
- The DHS OIG report recommended that FEMA (1) develop and implement a system that automates and tracks the selection, deployment, training, and demobilization of responders; (2) develop more effective and efficient plans for the delivery of assistance to address long-term housing issues, and test these plans in a simulated environment before application in actual disasters; (3) request an appropriation or provide other funding, resources, and institutional support to agency components and to state and local partners to complete draft or proposed catastrophic planning initiatives for natural disasters; (4) develop a formal mechanism to ensure continuity between preparedness, response, and recovery by including FEMA regional staff in the Preparedness Directorate's relationships with state emergency management agencies for grants, exercises, planning, technical assistance, and training.

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- The House report observed that the hurricane Pam exercise reflected recognition by all levels of government of the dangers of a category 4 or 5 hurricane striking New Orleans. Implementation of lessons learned from hurricane Pam was incomplete.
  - FEMA's initial assessment concluded that FEMA must develop a concept of operations for logistically supporting Emergency Management Assistance Compact resources that are requested for disaster response efforts.

In summary, the difficulties described above would not, we believe, be fixed by simply moving FEMA to an independent status. Indeed, we know that many of lessons learned from hurricane Katrina were acted on for hurricane Rita, with a much better response effort, indicating that organizational change is not the primary key to success.

Taking actions to improve these operational weaknesses in FEMA's performance before, during, and after hurricane Katrina may be more important to FEMA's success in responding to and recovering from the next hurricane season, than its organizational placement. Of course, FEMA will need financial and other resources to address the problems that have been identified in the wake of hurricane Katrina.

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## Issues for Consideration of a Change in FEMA's Organizational Placement

A number of alternative organizational changes are now being considered in response to hurricane Katrina. For example, the White House report recommended keeping FEMA within DHS, but would preserve FEMA as an independent operating agency to perform its response and recovery mission while making other organizational changes, such as transferring the National Disaster Medical System from DHS to the Department of Health and Human Services. The Senate report recommended creation of a new, comprehensive emergency management organization within DHS that would fuse DHS's emergency management, preparedness, and critical infrastructure assets into a new organization. Other observers have proposed removing FEMA from DHS completely.

If an organizational change remains under consideration, our past work could be helpful. Before the formation of DHS, the Comptroller General testified before the House Select Committee on Homeland Security that reorganizations of government agencies frequently encounter start-up problems and unanticipated consequences and are unlikely to fully

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overcome obstacles and challenges and may require additional modifications in the future.<sup>7</sup> He also asked a number of questions related to mission relevancy and shared goals and leveraging effectiveness and gains through consolidation that could be used to evaluate whether individual agencies or programs should be included or excluded from the proposed department. Some of these questions are appropriate today for discussing FEMA's future, and I would suggest that they might be useful if a change in FEMA's organizational placement is under consideration.

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### Mission relevancy and shared goals

- Is homeland security a major part of the agency or program mission? Is it the primary mission of the agency or program?
- Does the agency or program being considered for the new department share primary goals and objectives with the other agencies or programs being consolidated?

Congress might consider whether or how moving FEMA out of DHS would impact DHS's mission, as stated in the Homeland Security Act of 2002, of acting as a focal point for natural and man-made crises and emergency planning. DHS's Emergency Preparedness and Response Directorate—primarily FEMA—was to help ensure the effectiveness of emergency response providers to terrorist attacks, major disasters, and other emergencies. Removing FEMA from DHS might impact the ability of the department and its remaining components and FEMA itself in fully addressing the close links between preparedness, prevention, response, and recovery for all hazards.

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### Leverage Effectiveness and Gains Through Consolidation

- Does the agency or program being considered for the new department create synergy and help to leverage the effectiveness of other agencies and programs or the new department as a whole?
- Does the agency or program being considered for the new department improve the efficiency and effectiveness of homeland security missions through eliminating duplications and overlaps, closing gaps, and aligning or merging common roles and responsibilities?

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<sup>7</sup> GAO, *Homeland Security: Critical Design and Implementation Issues*, [GAO-02-957T](#) (Washington, D.C.: July 17, 2002).

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The dispersion of responsibility for preparedness and response across more than one federal agency was a problem we identified during the formation of DHS.<sup>8</sup> As I mentioned earlier, FEMA was established in 1979 to consolidate federal emergency preparedness mitigation and response in a single federal agency. Its responsibilities were to include, among other things, the coordination of civil defense and civil emergency planning and the coordination of federal disaster relief. FEMA was responsible for responding to a wide range of disasters, including floods, hurricanes, earthquakes, hazardous material accidents, nuclear accidents, and biological, chemical, and nuclear attacks.<sup>9</sup> However, when Congress created DHS, it separated FEMA's responsibilities for preparedness and response activities into two directorates. Responsibility for preparedness for terrorism disasters was placed in the department's Border and Transportation Security Directorate, which included FEMA's Office of National Preparedness. Other types of FEMA disaster preparedness and response efforts were transferred to the department's Emergency Preparedness and Response Directorate. In January 2003, we observed that this organizational arrangement would challenge FEMA in ensuring the effective coordination of preparedness and response efforts and enhancing the provision and management of disaster assistance for efficient and effective response.<sup>10</sup>

A division of responsibility remains under the recent DHS reorganization resulting from Secretary Chertoff's Second Stage Review with preparedness efforts—including planning, training, exercising, and funding—consolidated into a Preparedness Directorate. FEMA reports directly to the Secretary of Homeland Security for response and recovery missions. Secretary Chertoff has stated the reorganization would focus FEMA on its historic mission of response and recovery. We believe this division of responsibility should be reconsidered.

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<sup>8</sup> GAO, *Major Management Challenges and Program Risks: Department of Homeland Security*, [GAO-03-102](#) (Washington, D.C.: January 2003).

<sup>9</sup> GAO, *Disaster Management: Improving the Nation's Response to Catastrophic Disasters*, [GAO/RCED-93-186](#) (Washington, D.C.: July 23, 1993).

<sup>10</sup> GAO, *Major Management Challenges and Program Risks: Federal Emergency Management Agency*, [GAO-03-113](#) (Washington, D.C.: January 2003).

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## Concluding Observations

The next response and recovery challenge this nation will face, whether natural or man-made, will provide another important test of FEMA's efforts to improve its preparedness and capability. To encourage agility and innovation in preparing for the next major disaster event, focused, skilled leadership is essential, and these leaders must have clear operational plans, realistically exercised, evaluated, and adapted with key resources identified, provided, and appropriately deployed. Organizational changes, while important, may not by themselves necessarily produce these desired results. Incentives and sanctions are also important as well as the responsibilities and resource commitments of all levels of government and nongovernment entities.

As the administration and the Congress assess if further organizational changes are immediately necessary, we suggest they use the questions discussed above as a basis for consideration to evaluate whether individual agencies or programs, including FEMA, should be included or excluded from DHS.

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This concludes my statement. I would be pleased to respond to any questions that you or other members of the committee may have at this time.

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